

MICHIGAN STATE UNIVERSITY

September 1, 2006

The Honorable Tom Coburn, Chairman
Senate Homeland Security and Governmental Affairs Subcommittee
on Federal Financial Management
439 Hart Senate Office Building
Washington, D.C. 20515

Dear Senator Coburn:

Thank you for your inquiry dated July 27, 2006 about Michigan State University's federal funding. Presently, MSU conducts approximately \$190 million a year in federally funded research, the vast majority of which is awarded via competitive review procedures. MSU is a strong supporter of peer review, and believes that more federal research dollars should be allocated via the peer review process.

Some critical research areas rely heavily on Congress for support, especially agriculture. I believe the best course of action for Congress in terms of research dollars would be to increase the number and robustness of federal peer-reviewed research programs. In fact, MSU has been a strong advocate to expand competitive research opportunities, including our strong support for CREATE 21, an effort to increase the volume of competitive agricultural research.

Needless to say, there are significant federal dollars which flow through flagship research universities, such as MSU, both in terms of federal research dollars and in student aid. The vast majority flows through the peer-review systems of NIH, NSF, DOE and DOD. However, there are times when the needs of our community or the strategic interests of the institution cannot be met through available mechanisms. At these times, we may seek Congressional assistance.

As a land-grant institution, we have a special mandate to assist Michigan's \$61 billion dollar agriculture sector. MSU is a recognized leader in agricultural issues, and our expertise is often relied upon by government, industry and community officials to deal with specific plant diseases, enhance crop output and utilization and the development of best practices for farmers, industry and food safety. In general, most of our requests are areas where MSU provides research and services to meet the needs of the community, state and region. Many of the efforts have gone to protect the food supply and animal, plant and human health issues critical to our region.

Decisions to seek congressionally directed funding typically stems from a regionally identified need which is then carefully deliberated by the senior leadership of the university on a case-by-case basis. The programs we submit to Congress are typically for research into critical areas which cannot be funded through any peer-reviewed fund. As the attached appendix shows, our research is high quality and critically important to the communities that depend upon them.



OFFICE OF
THE PRESIDENT

Michigan State University
450 Administration Building
East Lansing, MI
48824-1046
517/355-6560
FAX: 517/355-4670

Finally, there are occasions when MSU has sought assistance for non-research items. One example of the kind of non-research proposal we have submitted is for the construction of a railway underpass in the middle of our campus. Congress provided \$16.84 million of the construction of a railroad underpass at both the CN Railroad crossing and the CSX crossing, widening Farm Lane to 4 lanes, and adding pedestrian and bicycle paths.

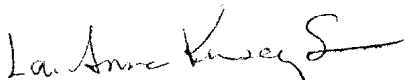
This request has a strong and abiding rationale. Farm Lane is a major traffic route for the Michigan State campus and the surrounding community, linking the north and south parts of the Michigan State campus for bus, car, bicycle and foot traffic. In addition to significant commuter vehicle traffic, there are major parking lots south of the rail lines in which students park, then take the bus to class on the north end of campus. The underpasses will solve existing safety, emergency access, and congestion problems created by traffic conflict with the two major railroad lines on Farm Lane. This request was approved, not only by the MSU leadership, but by every planning agency in the Tri-County region.

The need for this railroad underpass was recognized across the region as a critical need. Currently there usually are more than 60 trains per day, some longer than 2 miles, which commonly cause delays of 30 minutes or more. These problems are only going to increase without the underpass. The CN railroad has developed a major route for transporting goods from Chicago to Canada as part of the North America Free Trade Agreement (NAFTA). As a result, the number of trains, and their length, is expected to continue to grow. This condition results in frequent, and often lengthy, blockage of the regional transportation system.

Most importantly, this project will prevent the injury and deaths of students, staff and community members from accidents with the trains. While I would like to say that such a project could be funded through some application process, the realities are that the only way to get a project of this magnitude and importance completed was through Congressional action.

MSU evaluates all our research programs on an on-going basis, and fully complies with all federal lobbying disclosure requirements. Regardless of whether the source of funding is peer-reviewed or congressionally directed, MSU continues to be a good steward of all federal dollars it receives. I hope the attached provides the information needed to satisfy your inquiry.

Sincerely,



Lou Anna K. Simon, Ph.D.
President

Enclosure